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May 3, 2006

**BY eFILE AND HAND DELIVERY**

The Honorable Joseph J. Farnan, Jr.  
U.S. District Court  
844 N. King Street  
Wilmington, DE 19801

**Re: *Sea Star Line LLC v. Emerald Equipment Leasing, Inc.***  
**C.A. No.: 05C-245 JJF**

Dear Judge Farnan:

By Order dated April 13, 2006, the Court set May 3, 2006 as the deadline by which the parties are to submit a proposed scheduling order. Counsel for the parties have conferred. Sea Star Line, LLC ("Sea Star") proposed a discovery schedule to Emerald Equipment Leasing, Inc. ("Emerald"). However, Emerald has taken the position that discovery is not necessary. (See attached email from Emerald's counsel) Thus, the parties could not agree on a proposed scheduling order. Attached hereto is Sea Star's proposed scheduling order. For the reasons set forth below, Sea Star believes it is entitled to conduct discovery.

This action was initially filed by Sea Star in the United States District Court for the Middle District of Florida (the "Florida Action") against Emerald seeking, among other things, a declaratory judgment with respect to rights and liabilities under an Equipment Rental Agreement dated as of July 31, 2002. On April 20, 2005, the Court in the Florida Action issued an Order granting Emerald's Motion to Dismiss or Transfer Case, in part, and transferring the case to this Court. On April 21, 2005, before the docket was transferred to this Court, Emerald filed its Answer, Affirmative Defenses and Counterclaim. In its Counterclaim, Emerald asserts claims against Sea Star for "Post-Petition Account Receivable/Breach of Lease", "Post-Petition Quantum Merit", "Turnover Action", "Accounting", "Fraud", "Constructive Fraud", "Fraudulent Concealment", "Negligent Misrepresentation; Breach of Fiduciary Duty".<sup>1</sup>

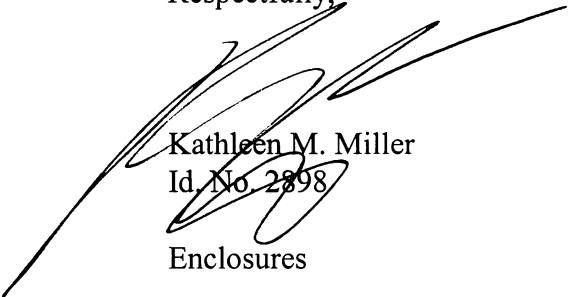
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<sup>1</sup>Some of these claims have been dismissed pursuant to this Court's Order dated January 26, 2006.

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In August, 2005 Sea Star has served discovery requests. Emerald responded, asserting that "[Emerald] believes that any further discovery to be taken in this case should only be such discovery as may be directed by a Special Master to be appointed in this case." To properly prepare for trial, Sea Star needs to conduct discovery on Emerald's Affirmative Defenses and Counterclaim, which were asserted after any discovery in the Florida Action was conducted. Sea Star would be severely prejudiced if it is not permitted to conduct the proposed discovery. Accordingly, Sea Star requests that a scheduling order be entered.

Respectfully,



Kathleen M. Miller  
Id. No. 2898

Enclosures

cc: Bradford Sandler, Esquire (via eFiling)(w/enclosures)